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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 20 November 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Implications of Iraqi Events for the Future of the SAM Program in Iraq

- 1. The political situation in Iraq is still fluid. A new government has not yet been formed and lines of authority are not settled. Consequently any judgment regarding future Iraqi-Soviet relations in general and the SAM program in particular must be tentative.
- 2. The military-dominated government likely to emerge from the present turmoil will be faced with the same inhibiting factors that governed Iraqi decisions with regard to Soviet aid during the last months of the Baathist regime. These factors include hatred and fear of the local Communist apparatus; realization that the Iraqi Army, which is fighting a prolonged war against the Kurds, is dependent on the USSR for ammunition, spare parts, and replacement of equipment; and appreciation that a sharp break with the USSR leaves the regime open to the charge—serious in the Arab world—that it has "sold out" to the West.
- 3. These considerations dictate a policy of strict suppression of local Communists while pursuing a limited diplomatic rapprochement with the USSR to ensure that continued military aid reaches the Iraqi Army. The new regime may also feel that a gesture toward the USSR is necessary to gain a degree of the Soviet good will lost during the early months of Baathist rule.

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It is likely that when the new regime reviews this subject it will reach similar conclusions, and it is possible that some consideration will be given to reviving the SAM program and setting up the missiles operation—ally. Should Iraq elect to follow this course, however, a renegotiation of the original Qasim—era agreement—particularly regarding project costs—is almost certain to take considerable time.

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